in economy started impacting the Indian economy severely which dented the profits of companies and also resulted in less salaries pay outs to employees, both resulting in decrease in collection in Corporation Tax & Personal Income Tax. The Income Tax Department carried out a number of surveys & inspection to detect defaults in deduction of tax at source and depositing of the TDS deducted into the Govt. Accounts. The tax payments of big assessees were closely monitored. All out efforts were under taken to collect the tax dues from defaulting assessees. Because of all these measures, the Department could collect Rs. 3,38,212 at a growth rate of 8.33%, despite the difficult times.

Bank loans to infrastructure sector

328. SHRI M.P. ACHUTHAN:
SHRI D. RAJA:
Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the banks' loans to infrastructure sector has not made any improvement despite various measures being taken by Government to help revive demand and growth in the economy;

(b) if so, the details of the loans disbursed to various infrastructure sectors by the banks and India Infrastructure Finance Company Ltd. (IIFCL) during the years 2007-08, 2008-09 and 2009-10, so far; and

(c) what are the reasons for slow growth of demand for credit in the infrastructure sector and remedial measures being taken by Government?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA): (a) No, Sir. There has been an improvement in the banks' loans to infrastructure sector. The total credit flow to this sector has increased to Rs. 64,852 crores in F.Y. 2008-09 from Rs 30,545 crores in the year 2006-07.

(b) As reported by the Reserve Bank of India (RBI) and India Infrastructure Finance Company Ltd. (IIFCL), sector-wise details of the Credit to Infrastructure Sectors by Banks and IIFCL during the years 2006-2007, 2007-2008 and 2008-2009 are given in the Statement-I & II, respectively (*See* below).

(c) The Banks' loans to Infrastructure have slowed down due to moderated demand for credit after October 2008 reflecting the slowdown of the economy in general and the industrial sector in particular.

As a part of first stimulus package announced by the Govt to revive demand, IIFCL was allowed to raise Rs. 10,000 crore by way of tax free bonds for refinancing bank lending of longer maturity to eligible infrastructure bid based PPP Projects of about Rs. 25,000 crore. Further under the 2nd stimulus package announced by the Government, a provision has been made to enable IIFCL to raise an additional Rs. 30,000 crore by way of tax free bonds to refinance banks lending to infrastructure projects of about Rs. 75,000 crore.

Statement-I

Sector-wise details of outstanding credit/credit flow to Infrastructure Sectors by Banks

(Rs. Crore)

	Outstanding Credit as on			Credit flow during		
	31-Mar-07	28-Mar-08	27-Mar-09	2006-07	2007-08	2008-09
Infrastructure	143,375	205,120	269,972	30,545	61,745	64,852
				(27.1)	(43.1)	(31.6)
Power	73,158	95,067	124,447	13,001	21,909	29,380
				(21.6)	(29.9)	(30.9)
Telecommunications	19,446	38,043	50,326	991	18,597	12,283
				(5.4)	(95.6)	(32.3)
Road and Ports	24,984	34,530	47,060	5,289	9,546	12,530
				(26.9)	(38.2)	(36.3)
Other Infrastructure	25,747	37,479	48,159	11,201	11,732	10,680
				(77.0)	(45.6)	(28.5)

NOTE: 1. Data are provisional and relate to select banks which cover 95% of total non-food gross, bank credit extended by all scheduled commercial banks.

2. Figures in brackets are credit growth in per cent in the respective periods.

Statement-II

Sector-wise details Credit to Infrastructure Sectors by IIFCL

(Rs crore)

Sector	FY- 2007-08	FY- 2008-09
Road	584.21	1288.30
Power	600.19	1633.65
Port	58.85	42.98
Airport	298.13	218.34
Urban Infra	-	1.81
PMDO*	-	12.04
TOTAL :	1541.38	3197.12

*Pooled Municipal Debt Obligations

Investments by foreign financial institutions

†329.SHRI SHIVANAND TIWARI:

SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that capital investment by foreign financial institutions has been increasing constantly during last few years;

(b) if so, the details of total investment made by these institutions in March, 2004 together with its status in March, 2009; and

†Original notice of the question was received in Hindi.